



State of California

Employment Training Panel

Arnold Schwarzenegger, Governor

March 11, 2009

Robert Nelson, President/CEO
UAW Labor Employment and Training Corporation (UAW LETC)
790 East Willow Street, Suite 150
Long Beach, CA 90806

Dear Mr. Nelson:

RE: FINAL MONITORING VISIT REPORT for UAW LETC – ET07-0189

Date of the Visit:	02/09/09
Beginning/Ending Time:	10:00 a.m. – 12:00 p.m.
Date of Last Visit:	06/27/08
Visit Location:	Long Beach
Persons in attendance:	Audrey Holmes, UAW LETC Maria Letkova, UAW LETC Marie Lee, UAW LETC Hilda Pacheco-Taylor, Supplier Excellence Alliance Mark Reeves, ETP Analyst
Action Required:	No

CONTRACT INFORMATION:

Term of Agreement:	12/31/06 – 12/30/08	Agreement Amount:	\$1,529,000
Training Start Date:	03/20/07	No. to Retain:	1,000
Date Training must be Completed:	10/02/08	Range of Hours:	24 - 200
Type of Trainee:	Retrainee	Weighted Ave. Hours:	65

SACRAMENTO CENTRAL OFFICE
1100 J Street, 4th Floor
SACRAMENTO, CA 95814
(916) 327-5640

N. HOLLYWOOD REGIONAL OFFICE
4640 Lankershim Blvd., Suite 311
NORTH HOLLYWOOD, CA 91602
(818) 755-1313

S.F. BAY AREA REGIONAL OFFICE
1065 East Hillsdale Blvd, Suite 415
FOSTER CITY, CA 94404
(650) 655-6930

SAN DIEGO REGIONAL OFFICE
5353 Mission Center Road, Suite 110
SAN DIEGO, CA 92108
(619) 686-1920

www.etp.ca.gov
ETP (04/15/05)

FINAL REPORT SUMMARY:

• ***HISTORY OF AGREEMENT CHANGES***

Training began on March 20, 2007 and project staff confirmed that all training for this Agreement was completed by October 2, 2008, which allows for the 90-day retention period prior to the contract term end date of December 30, 2008.

Agreement Amendment Number 1 was executed on August 28, 2008 to change the contract term date from 11/07/06 – 11/06/08 to 12/31/06 – 12/30/08.

PROJECT STATUS PROVIDED BY THE CONTRACTOR:

Trainees Started Training:	357	Completed Training:	260
Dropped Following Enrollment:	8	In Retention Period:	0
Completed Minimum Hours for reimbursement:	262	Completed Retention:	260

Breakdown and discussion of expected earnings:

Project staff provided Mr. Reeves with projected statistics for the closeout of this Agreement. As of the date of this meeting, your records show that 260 trainees have completed training and the 90-day retention period. Ms. Letkova advised Mr. Reeves that Special Review and final closeout records are still being processed for 15 of the 260 trainees that completed the program. As of this visit, ETP records show that UAW LETC has earned \$374,986, or approximately 25 percent of the encumbered total. Project staff reported that UAW LETC expects to earn \$472,084, pending final closeout, for a projected completion rate of 31%.

ATTENDANCE ROSTERS:

Mr. Reeves reviewed class/lab attendance rosters for 20 trainees (across four different participating employers) who were billed for final payment on Invoice Nos. 24 and 26. The rosters covered the period from September 20, 2007 through September 27, 2008. During records review, Mr. Reeves and project staff discovered that the training hours recorded in the online tracking system for one trainee (D. Deblois) should have actually been credited to a different trainee with the same last name (R. Deblois). On February 10, 2009, ETP's Fiscal Unit confirmed (via e-mail) that Fiscal staff was working directly with Ms. Letkova to reconcile this data inaccuracy. As of the date of this report, the ETP Online system shows that this item has been resolved.

With the exception of the data entry error noted above, the review showed that the ETP requirements were met and properly documented. The rosters were complete and the 1:20 trainer to trainee ratio was maintained. The review confirmed that the trainees completed 40 to 200 hours of class/lab training from the approved curriculum.

These findings are based only on the training records reviewed during this visit and represent only a sample of the training records. It is your responsibility to ensure that 100 percent of all training records are in compliance with Panel requirements prior to the closeout of this Agreement (Reference: Title 22, California Code of Regulations, Section 4442).

• ***INTERVIEW WITH CONTRACT REPRESENTATIVES***

Based on your lower than expected completion rate, Mr. Reeves inquired regarding the barriers that precluded UAW LETC from performing better on this Agreement. Project staff reported that business demand and challenging economic conditions led to fewer employers participating in training than initially anticipated. Project staff also reported that the Boeing strike was a contributing factor in reducing UAW LETC's completion numbers. Project staff explained that any significant business disruption with a prime contractor, such as Boeing, directly impacts day-to-day operations for many of the supplier firms within UAW LETC's core group of participating employers. As such, several participating employers experienced unplanned changes in their training objectives.

Project staff reported that despite the unforeseen obstacles to training, UAW LETC was able to capture several hours of additional training following ETP's approval to extend the Agreement term.

Project staff reported that UAW LETC did not experience any significant record keeping problems during the administration of this Agreement and did not recommend any necessary changes to improve the process.

AUDIT:

UAW LETC will be notified in writing if this agreement is selected for an audit, conducted either at your site (field audit) or by telephone (desk audit or "review"). The Audit Notification and Audit Confirmation letters will be sent in advance to allow ample preparation time and will include a list of documents that will be examined by the auditor. To provide support of training, original training attendance documentation is required; photocopied records are not acceptable. Listed below are types of records typically requested during an ETP field audit:

- Training attendance records such as rosters, sign-in sheets, etc.
- Payroll records of individual trainees to verify wage and hours worked
- Personnel records regarding occupation and dates of employment
- Documentation of employer paid health benefits (if applicable)
- Cash receipts to verify receipt and accounting of ETP funds

RECORD RETENTION:

Records must be retained within your control and be available for review at your place of business within the State of California. This responsibility will terminate no sooner than four (4) years from the date of the termination of the Agreement or three (3) years from the date of the last payment by ETP to the Contractor, or the date of resolution of appeals, audits, claims, exceptions, or litigation, whichever is later.

If you have any questions or comments regarding this report, please contact Mr. Reeves at (818) 755-3635 or by e-mail at sreeves@etp.ca.gov within ten (10) working days from the receipt of this report.

Sincerely,

Signature on file

Dolores Kendrick, Manager
North Hollywood Regional Office

Signature on file

S. Mark Reeves, Contract Analyst
North Hollywood Regional Office

cc: Audrey Holmes, UAW LETC (via e-mail)
Maria Letkova, UAW LETC (via e-mail)
Hilda Pacheco-Taylor, SEA (via e-mail)
David Guzman, Chief, Program Operations Division (via e-mail)
Kulbir Mayall, Manager, Fiscal and Certification (via e-mail)
Master File
Project File

Date report mailed to Contractor 3/30/09